The Property Registry

1999/2000 Annual Report

Manitoba
Consumer and
Corporate Affairs

100-07616/

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Minister of
Consumer and Corporate Affairs

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

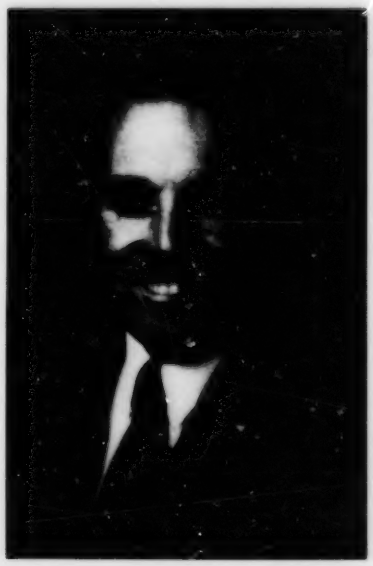
The Honourable Peter Liba
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour, the Annual report of The Property Registry Agency for the fiscal year ending March 31, 2000

Respectfully submitted,

Honourable Ron Lemieux
Minister
Consumer and Corporate Affairs



Manitoba

Deputy Minister of
Consumer and Corporate Affairs

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Honourable Ron Lemieux
Minister
Consumer and Corporate Affairs

Sir:

I have the honour of submitting the Annual Report of The Property Registry for your consideration. This report summarizes Agency activity for the fiscal year ended March 31, 2000.

The 1999/2000 fiscal year was The Property Registry's third year of operation as a Special Operating Agency. The Agency's financial position continues to be favourable.

Client service results for the year are positive. The processing time for documents submitted for registration continues to average less than a week in the Personal Property Registry and the Winnipeg Land Titles Office and less than two days in our Regional Land Titles Offices. The first public Internet access to agency records was successfully introduced with the survey index release in February 2000.

The Records Management Program has completed a very productive first year, with over one million records transferred to the Provincial Records Centre and 90% of all certificates of title microfilmed.

Respectfully submitted,

M. Alexandra Morton, QC
Deputy Minister, Consumer and Corporate Affairs
and
Chair, The Property Registry Advisory Board

The Property Registry Advisory Board

Chair:

M. Alexandra Morton, Q.C.
Deputy Minister, Manitoba Consumer and Corporate Affairs

Members:

Dan Biles
Manager, System Credit Department
Credit Union Central of Manitoba

Robert Crierie
A/Manager of Acceptance
Winnipeg Land Titles Office

Marie Elliott
Assistant Deputy Minister
Local Government Services
Manitoba Rural Development

Bruce King
Lawyer
Pitblado, Buchwald, Asper

John Kulchycki
Manitoba Land Surveyor
Balchen and Kulchycki

Richard M. Wilson
Registrar General and
Chief Operating Officer
The Property Registry

It is with great pleasure that I present the third Annual Report of The Property Registry. This report provides an overview of the agency and outlines the accomplishments during the third year of operations as a Special Operating Agency.

The agency's intent for the year was to continue with systems development through the Better Systems Initiative and implementation of our Records Preservation Project.

This year marked the first system release through the Better Systems Initiative. The survey index was automated and access to plan index information was provided to government through our provincial intranet in December 1999 and in February it moved, as a public release to the Internet. Development of a re-engineered Personal Property Registry system took major steps to the point where it was ready for user testing. The Personal Property Registry is now in a position where the new *Personal Property Security Act* can be proclaimed and the systems introduced in the following year.

The Records Preservation Program marks a significant improvement in both the security and preservation of our records. Over a million documents have been microfilmed and transferred to the Records Centre; while approaching two million titles have been captured on film, greatly adding to the protection of the historical record.

At the commencement of the 1999/2000 fiscal year, our Year 2000 preparations, including the remediation of the Personal Property Registry system, were successful with no disruption of service to clients.

Performance continues to be improved with document processing times below one week. The agency's commitment to customer service continues, with all land titles office forms being distributed to clients on demand, either on diskette for computer use or in paper form. Our public communications program presented a number of presentations while frequently asked questions and common conveyancing information packages were developed.

For the fiscal year, I can report that no claims were received against our Land Titles Office Assurance Fund or the Personal Property Registry.

Our strong financial results to date will improve the Registry's ability to meet the challenges afforded by changes in technology and meet our growing staff and client demands.

On behalf of The Property Registry, I would like to extend my appreciation to those of you who have contributed to the success of the Agency, with special appreciation extended to all members of the Agency's Advisory Board.

Richard M. Wilson
Registrar General and Chief
Operating Officer

Agency Profile

Mandate: the Registry's main function is to provide certification of titles to land, maintain land records and provide reliable information of financial interests in personal property to the public

AGENCY PROFILE

HISTORICAL PERSPECTIVE

Land Titles

The Land Titles Office of The Property Registry administers the provincial systems of land holding in accordance with *The Real Property Act, The Registry Act* and other related *Acts*, and maintains the written and drawn legal descriptions ("survey fabric") of all land in the Province of Manitoba.

The Registry Act was one of the first statutes passed after Manitoba became a province in 1870. Under this "Old System," the Land Titles Office does not issue or guarantee title, but merely maintains a register ("abstract") showing the particulars of documents ("instruments") on file that affect a piece of land. Ownership is transferred by way of deed. On a sale, the purchaser must examine not only the deed, but also every conveyance and instrument ever filed on the land. If the chain of title to the vendor is not complete, the vendor does not have a good title to convey to the purchaser.

The Real Property Act was passed in 1885, and introduced the Torrens or "New" system to Manitoba. Title to land is issued by the Land Titles Office and, once issued, is generally considered to be conclusive evidence of ownership. On a sale, the purchaser must examine only the vendor's title and the interests registered against that title. A person deprived of land due to the operation of the *Act* or who suffers loss or damage as a result of an error or omission of the Land Titles Office, is entitled to claim for reimbursement from the Land Titles Assurance Fund.

In addition to the documents that transfer interests in land, the office also accepts those that affect interests in land, such as mortgages, liens and discharges. To ensure the integrity of the titles, all survey plans are examined and registered in the Land Titles Office. Surveys going back to the 1870s are on file.

AGENCY PROFILE

PERSONAL PROPERTY REGISTRY

The Personal Property Registry was established under Part IV *of The Personal Property Security Act*. It is a "notice filing system," replacing a "document filing system," that had been in effect under four statutes before September 1, 1978.

The Personal Property Registry records and provides information for the public concerning corporate securities, appointments of receivers, and security interests in collateral under *The Personal Property Security Act*. It provides a central registry for notices and liens on personal property included in 12 other statutes.

Under *The Personal Property Security Act*, anyone who suffers loss or damage as a result of reliance on a certificate that has an error or omission is entitled to claim for reimbursement. Payment of successful claims is made by the Consolidated Fund of the Government of Manitoba.

AGENCY STATUS

In April 1996, the Land Titles Office and The Personal Property Registry, which formed The Property Rights Division of Manitoba Justice, were transferred to Manitoba Consumer and Corporate Affairs.

The Property Registry was formed April 1, 1997, merging the two registries. The Property Registry has now completed its third year as a Special Operating Agency.

AGENCY PROFILE

AGENCY STRUCTURE

The Property Registry consists of two registries, the Land Titles Office and the Personal Property Registry. The Land Titles Office has six offices, one located in Winnipeg and five regional offices located in Brandon, Portage la Prairie, Morden, Dauphin and Neepawa. The Land Titles Office includes a Surveys Branch and Central Administration, both located in Winnipeg. The District Registrars are responsible for their respective districts and the Examiner of Surveys is responsible for the Surveys Branch.

The Central Administration includes the Director, Finance and Systems, who is responsible for the financial and systems areas of the Registry. The Personal Property Registry is a central registry with one office in Winnipeg. The Registrar of Personal Property Security is responsible for that office. The District Registrars, Examiner of Surveys, Director, Finance and Systems and Registrar of Personal Property Security report to the Registrar General and Chief Operating Officer. The Chief Operating Officer, known as the Registrar General for statutory purposes, reports to the Deputy Minister of Consumer and Corporate Affairs. There are currently 157 staff years within the Registry.

The Registry's management team consists of the Registrar General as Chief Operating Officer, the Deputy Registrar General and the District Registrar for the Winnipeg Land Titles Office, the Director, Finance and Systems, Examiner of Surveys and Registrar of Personal Property Registry.

The Registry's Advisory Board provides advice on the Agency's strategic operations, mandate, structure, business priorities and finances. The Board will also comment on the office's performance through review of business plans and reports.

ADVISORY BOARD

The Advisory Board is appointed by the Minister of Consumer and Corporate Affairs and comprises:

The Deputy Minister of Consumer and Corporate Affairs, who acts as Chair;
one member representing internal government clients;
one practising lawyer;
two members external to government, knowledgeable in business practices and/or familiar with the agency's lines of business;
one agency staff representative.

The Chief Operating Officer of the agency is an ex-officio member of the Board. Other external resources or agency staff may be invited to attend meetings at the request of the Chair. The composition of the Board may change over time as circumstances warrant.

AGENCY PROFILE

MANDATE

The Registry's main function is to provide certification of titles to land, maintain land records and provide reliable information of financial interests in personal property to the public.

The ongoing goals of the Registry are to:

- ensure accurate, orderly and timely registration of documents,
- maintain the integrity of the system by ensuring proper adherence to all legal, survey and statutory requirements, including issuance of titles and maintenance of the survey fabric,
- provide cost-effective services,
- provide timely, efficient and courteous service and information to clients,
- maintain, preserve and protect all types of records,
- build and maintain a working environment that stimulates initiative and involvement of staff and encourages active participation toward reaching goals,
- generate appropriate revenue and increase cost recovery to provide economic viability, while maintaining an acceptable net revenue position for the government,
- minimize claims against the Registry.

MISSION STATEMENT

To operate modern, efficient, accessible registries that provide quality, assured and reliable information on interests in real and personal property.

THE VISION

Through an electronic highway, The Property Registry of the future will allow clients to access and generate the land titles or personal property registry information they need, when they need it and where they need it.

All Land Titles Offices will have computerized title, survey plan index and instrument data and imaged documents. The Personal Property Registry system will accommodate the legislative changes and make electronic and French-language services readily available, and will allow acceptance of electronic registrations and electronic searches.

As a result, data would be immediately accessible seven days a week to clients from anywhere in the province, country or the world, regardless of whether the Registry is open. Without leaving their offices, clients could search titles, liens and other data. Copies of registered instruments could be ordered and sent directly to clients, all with less involvement of government staff.

Computer terminals could be installed at locations where there are no registry offices; such as in other government offices/service centres, public buildings, or even shopping malls, for use by clients who do not have their own electronic access.

AGENCY PROFILE

MARKETS

The most significant clients of the Registry are the residents of Manitoba.

The Land Titles Office provides not only a record of land ownership within the Province but also a registry that facilitates commercial transactions securing billions of dollars each year. Land Titles Offices also provide professional services to financial institutions, surveyors, the legal profession and the real estate industry. The Personal Property Registry clients include the legal profession, banks, credit unions, other financial institutions, wholesalers, retailers, and vehicle dealers. Many departments of all levels of government, including municipalities, are frequent users of information held by the Registry's system.

The public and other government agencies rely heavily on the veracity of the Land Titles Office and The Personal Property Registry to form a fundamental source for their own databases, systems and business processes.

The Land Titles Office is the primary registry system for the recording of land holding and plans in Manitoba. Crown land leases, mining claims, and transactions affecting federal land are not required to be entered on Registry databases. The Province and municipalities have their own registration requirements in respect to builders' liens on provincially and municipally owned land.

The Personal Property Registry has no public or private competitor. However, with online searching and the potential for online registration, there is a market for private agents to take a more active role for clients. Search agents depend on information provided by the Registry for the services they provide.

PRODUCTS AND SERVICES

- reliable and secure title information and issuing certificates of title ownership
- professional advice relating to land and interests in land
- administers mortgage sale and tax sale proceedings and real property applications
- records information about interests in collateral
- information, records and certificates about The Property Registry
- administers and collects land transfer tax on behalf of the Minister of Finance
- provides title information to the City of Winnipeg and to the Province for property assessment purposes.

Initiatives

The Property Registry is committed to the successful implementation of the Provincial Government's corporate initiatives....

INITIATIVES

RECORDS PRESERVATION

The Registry has records dating back to the 1880s.

Records in the Land Titles Office are being reviewed and appropriate methods of preserving them are being implemented. The primary methods of preservation include ongoing photocopying and creating security duplicate copies of certain records, such as Old System books. We are microfilming all current registered documents as soon as feasible after they are registered, with security copies of these microfilms being sent to the Archives for security storage.

The major challenge facing the Registry is the preservation of the wide variety of vital records in existence. These include the title books, daily journals of registration of various types of instruments, as well as the various forms of index books that are required in order to find much of this information.

It is vital to the maintenance of a modern, efficient registry that our documents be preserved on a more regular basis using a well-established method such as microfilming.

This past year has seen our registry work in partnership with Xebec Imaging Services Inc. with regards to the microfilming of our records and the indexing to the automated retrieval system. Xebec is filming the historical documents while the records' staff for our registry maintains the filming and indexing of all current records for the six Land Titles Offices. As a successful year one of the project comes to a close, the Registry looks forward to year two with direct cost savings as a result of less accommodation space being required to store these records.

The agency has, once again, been active in the preservation of its historical records. The agency has transferred in excess of one million records to the Provincial Records Centre for professional maintenance.

The agency has centralized the microfilming and indexing of the records for all six Land Titles Offices and has established a quality-control program to ensure the records are being preserved and the needs of our clients are being met.

As we close out year one, we have microfilmed 90% of the certificates of title (1,685,182) and transferred these vital records to the archives for proper storage. Preliminary work is in process to establish the procedures to prepare, film and archive Real Property Applications, the next vital record series to be preserved.

The Property Registry has replaced and purchased a microfilm camera and reader printers to assist us in maintaining a modern efficient records program to serve our clients.

Preliminary work is in process to establish procedures to prepare, unbind, film and rebind 1.8-million paper certificate of titles.

INITIATIVES

BETTER SYSTEMS INITIATIVE

Increasing client satisfaction and client self-service are the stated goals of The Property Registry under the Better Systems Initiative. During FY1999/2000, Better Systems Initiative team members and staff from The Property Registry and Land Titles broadened the range of their activities to advance towards these goals.

The searching process advanced with the introduction of the new electronic survey index. More data is available for clients of The Property Registry to self-serve search, and access to that data extends to any person with Internet capability "from anywhere, at any time". In the fall of 1999, a data entry team worked from the paper survey cardex and other paper records to transfer the data into a database referred to as the "electronic survey index". The next step was search access for government staff via the Intranet. On February 28, 2000, the new electronic survey index moved to the Internet. This enabled any person with internet capability to search for plans by Dominion Government Survey in either official language. First feedback indicates 15,000 different clients hit the web site during the first three months and have found the data easy to search. The Property Registry is proud that this release represented the first Internet search under the "Single Window" to the Government of Manitoba.

The Property Registry is applying knowledge gained and lessons learned from this first release to its next Better Systems Initiative release – moving the Personal Property Registry to the Internet. In addition of the electronic survey index, clients will be able to search the data of the Personal Property Registry via the Internet. At the same time, the first electronic registration process under The Property Registry moves to the Internet. With the proclamation of the new *Personal Property Security Act*, it will be possible for clients to register security interests online. The Personal Property Registry team has a plan developed and in place to smooth the transition for their clients and their organization. It includes testing, training, documentation, communications and Help Desk. At the end of FY1999/2000, the development of the Personal Property Registry system has progressed to the point where it is ready to begin the process of user-acceptance testing.

INITIATIVES

POINT OF SERVICE INITIATIVE

The Point of Service Initiative's POS+ is an integrated point of sale (POS) system. The Property Registry is one of several agencies assisting with the development of a government pilot for this initiative, which is being deployed in several phases.

The Winnipeg Land Titles Office installed POS+ in the first quarter and has successfully implemented the pilot version of the software. All customer outputs will be in a bilingual format. The Brandon and Portage la Prairie Offices implemented the pilot version while the balance of the regional offices were not completed in the fiscal year.

The Personal Property Registry implemented the POS+ system June 22, 1999.

The Property Registry has accepted Phase 1 with regard to the development of the pre-production version. Final production versions of POS+ are in the process of being completed. These new versions will include performance improvements required for the Land Titles Office.

INITIATIVES

SURVEY OUTLINE MONUMENT RESTORATION FUND

The Property Registry has established an annual fund of $150,000 to assist municipalities, including the City of Winnipeg, with the cost of restoring survey outline monuments on a 50/50 cost-share basis. Guidelines were agreed upon by The Property Registry, the City of Winnipeg, the Union of Manitoba Municipalities, the Manitoba Association of Urban Municipalities and the Professional Land Surveyors Business Group.

Program expenses for monument restoration are disclosed in the financial statements of The Property Registry. Payments to program applicants (municipalities) are issued upon receipt of documentary evidence sufficient to identify eligible costs, subject to the maximum program funds available for the fiscal year.

At the end of each fiscal year, the program is reviewed with the City of Winnipeg, the Association of Manitoba Municipalities (AMM) and the Professional Land Surveyors' Business Group.

The review of the first full year of operation took place in December 1999.

- 62 municipalities have participated in the Survey Monument Restoration Program this fiscal year.
- In the City of Winnipeg, the Registry has spent $43,585 of the $67,500 available funds.
- In municipalities outside the City of Winnipeg, $58,399 of the $82,500 available funds has been allocated.

INITIATIVES

JOINT REGISTRY SERVICE INITIATIVES

The Property Registry, Companies Office and Vital Statistics Agency form part of a Registries Committee that promotes enhanced customer service by providing service initiatives between the three Special Operating Agencies. The Agencies have undertaken several initiatives, including:

- Implementation of the Land Titles Office Vital Statistics initiative that permits customers to use any Land Titles Office to submit applications and remit payment concerning Vital Statistics. In addition the Brandon Land Titles Office has piloted a program that provides a marriage licensing service at that office for clients of Vital Statistics.
- The Companies Office is providing information concerning registering clergy when a religious denomination is registering at that office.
- The Property Registry and Companies Office have initiated a joint project to collect client e-mail and fax addresses to facilitate client communication. The two agencies are further working on improving public signage in the Woodsworth building to assist clients in locating the services that are offered by the Land Titles Office, Personal Property Registry and Companies Office.
- The Property Registry and Companies Office have introduced revised practice procedures, which permit Land Titles Office examiners to access Companies Office records to establish registration requirements for transactions within the Land Titles Office without requiring re-registration of incorporation evidence.
- "Frequently Visited Offices" signage installed in the lobby of the Woodsworth Building. Signs indicate services and location offered by the Land Titles Office, Companies Office and Personal Property Registry.
- Overhead Projector acquired as joint initiative of three agencies, The Property Registry, Companies Office and Securities Commission, to facilitate staff training and public presentations.

OTHER MATTERS

LAND TITLES ASSURANCE FUND

A person deprived of land due to the operation of *The Real Property Act* or who suffers loss or damage as a result of an omission or error of the Land Titles Office is entitled to be reimbursed from the Land Titles Assurance Fund.

When an application is filed to bring property under the operation of *The Real Property Act* from the registry system, a fee is collected for examination of that application. Since its inception in 1885, $2 million has been paid into the Assurance Fund. Additional revenue from the Assurance Fund, in the amount of$42,600, was transferred to the Consolidated Fund during the Fiscal Year 1999/2000. The Fund maintains a balance of $125,000. Amounts in excess of $125,000 are transferred to the Consolidated Fund annually. Since 1885, there have been 113 payments from the Fund, totalling $194,384. There was no payment out of the Land Titles Assurance Fund for the year. Values of land and mortgages secured exceed $15 billion for the 1999/2000 Fiscal Year.

SPECIAL SURVEYS

Survey monuments form the foundation for the land titles system, in that title to land describes what is owned by referring to boundaries. The effectiveness of the title is questionable if the land boundaries cannot be properly ascertained.

Under *The Special Survey Act*, special surveys are conducted to correct errors respecting an existing survey or plan, or to establish boundaries where their location is questionable. Where problems occur as a result of errors in titles or plans, the Land Titles Office may request that a special survey be conducted. Requests are received annually by The Property Registry, reviewed, and contracts to conduct the special survey tendered out.

During the year, five special surveys were awarded, at a total cost to the Registry of $42,600.

Performance Measures

Each year, The Property Registry will identify key objectives. The objectives set out the important success factors for the Agency, while our performance indicators are measurable factors that help us assess the extent to which objectives have been met.

PERFORMANCE MEASURES

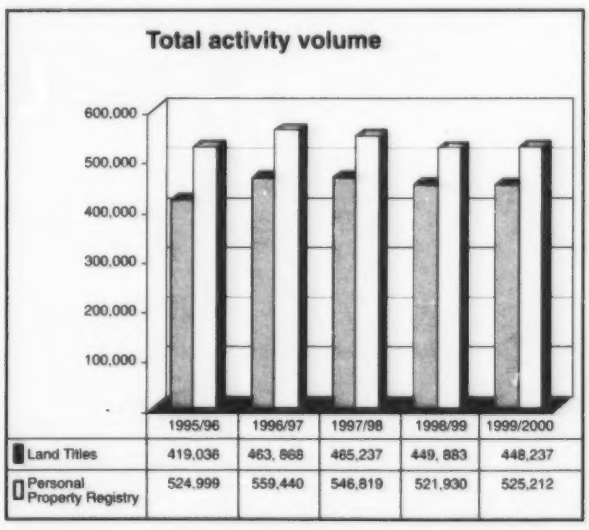
PERFORMANCE REVIEW

Activity levels remained constant over the year from the previous two fiscal years and represent a healthy transaction base.

Activity volume

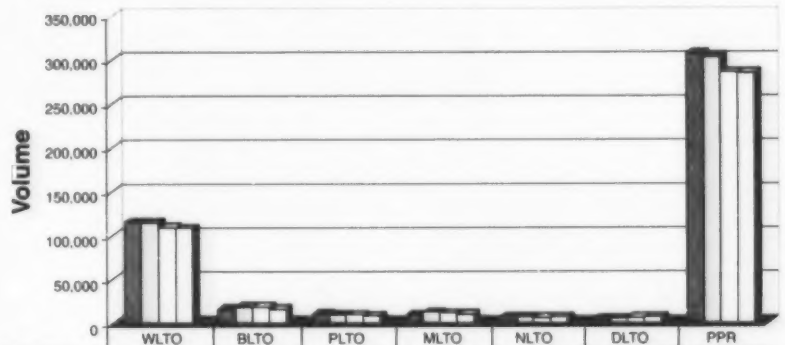
Fiscal Years	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000
Land Titles					
Registrations - Transfer of land	28,792	35,439	34,654	33,665	33,744
Registrations - Mortgage	31,297	33,979	34,780	32,946	31,635
Registrations - Discharge	36,698	42,983	44,615	41,139	40,705
Registrations - other	48,287	54,133	57,038	56,160	53,002
Total registrations	145,074	166,534	171,087	163,910	159,086
Services	273,962	297,334	294,150	285,973	289,151
Land Titles total	**419,036**	**463,868**	**465,237**	**449,883**	**448,237**
Personal Property Registry					
Registrations	287,274	307,238	302,763	285,409	285,073
Services	237,725	252,202	244,056	236,521	240,139
Personal Property Registry total	**524,999**	**559,440**	**546,819**	**521,930**	**525,212**
Grand total	944,035	1,023,308	1,012,056	971,813	973,449

The Property Registry registration volumes (see following page for graphics) for fiscal year 1999/2000 totaled 444,200 (1999: 449,300) documents, consisting of 159,100 (1999: 163,900) in the Land Titles Office and 285,100 (1999: 285,400) in The Personal Property Registry. There were 529,300 (1999: 522,500) requests for service conducted by the agency, consisting of 289,200 (1999: 286,000) services in the Land Titles Office and 240,100 (1999: 236,500) in Personal Property Registry. The Land Titles Office issued 77,981 certificates of title in 1999/2000.



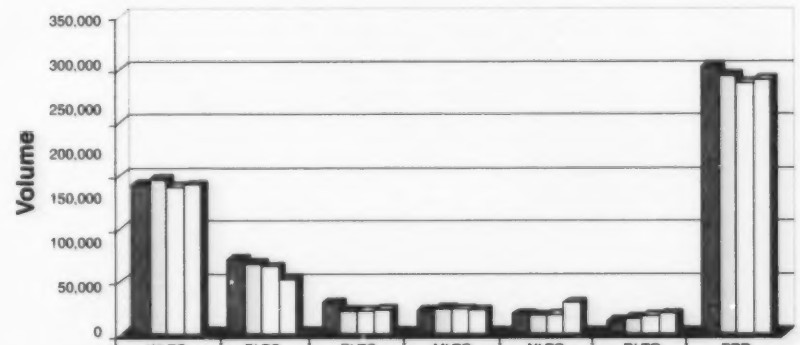
The document processing time in the Winnipeg Land Titles Office averaged 4 calendar days, with 91 per cent of those documents affecting an electronic title. The regional Land Titles Offices averaged a turnaround time of two days, with the rate (in brackets) of documents registered affecting an electronic title in the Brandon (74%), Portage la Prairie (73%), Morden (73%), Dauphin (55%) and Neepawa (48%) Land Titles Offices. Personal Property Registry completed registrations, on average, within 3 days.

REGISTRATION VOLUME



	WLTO	BLTO	PLTO	MLTO	NLTO	DLTO	PPR
1996/97	115,481	16,747	10,648	10,369	7,240	6,049	307,238
1997/98	114,911	19,733	10,413	12,766	7,115	6,149	302,763
1998/99	109,460	19,504	10,363	11,573	6,309	6,701	285,409
1999/2000	108,398	16,844	9,023	10,765	7,067	6,989	285,073

SERVICE VOLUME



	WLTO	BLTO	PLTO	MLTO	NLTO	DLTO	PPR
1996/97	141,728	70,288	30,201	22,841	19,513	12,963	252,202
1997/98	146,171	67,005	22,674	24,904	18,385	15,011	244,056
1998/99	139,059	63,903	22,694	24,061	18,812	17,444	236,521
1999/2000	141,164	51,764	23,630	23,152	30,123	19,318	240,139

PERFORMANCE FRAMEWORK

The agency developed a performance framework, identifying critical success factors in service delivery, finance, operations and human resources. Several objectives were identified for each area, and were accompanied by applicable baseline data.

The tables below show the agency's detailed performance indicators.

Critical Success Factor	Objective	Goal	Office	Results
Marketing.	To achieve the identified performance targets for processing work.	1. 5-day electronic registration turnaround time in Land Titles Offices.	Winnipeg Land Titles Office Portage Land Titles Office Brandon Land Titles Office Morden Land Titles Office Neepawa Land Titles Office Dauphin Land Titles Office Regional Land Titles average	3.8 1.0 3.5 1.0 2.6 1.2 1.9
		2. Survey examination completed within 7 days.	Survey plan examination.	10.5
		3. Survey registration completed within 7 days.	Survey plan registration.	4.2
		4. Winnipeg Land Titles Office public searches completed within 24 hours.	Searches – within 1 day.	
		5. Personal Property Registry registrations completed within 5 days.	Registrations.	3.2
		6. Personal Property Registry searches completed within ½ day.	Searches – within ½ day.	
		7. Additional indicators.	• 1.1% decrease in registrations from last year consisting of: - 2.9% decrease Land Titles Offices. - 0.12% decrease Personal Property Registry. • 1.3% increase in services from last year consisting of: - 1.1% increase Land Titles Office; - 1.5% increase Personal Property Registry.	

Note:
• Turnaround time is measured in calendar days.

The Winnipeg Land Titles Office is almost entirely electronically based with over90% of registrations affecting electronic titles.

The Survey Section of the Winnipeg Land Titles Office examines all plans for the provincial Land Titles Offices and examines registrations for the Winnipeg Land Titles Office. The turnaround time for this section is recorded separately from the general document turnaround time for the Winnipeg Land Titles Office.

Critical Success Factor	Objective	Goal	Results
Marketing, continued.	To diversify and enhance products and services.	8. Joint Service Initiative	• Co-pilot of POS+ accounting system with Companies Office. • Revised client information signage on main floor lobby Woodsworth building showing frequently visited offices. • Examined centralized deposit account administration with Better Systems Initiative and SOA Coordinator. • Overhead projector co-financed with Companies Office, Security Commission. Agencies sharing resource for training and presentation purposes. Resource calendar administered through The Property Registry. • Exchange student, on program for people with disabilities, taken on with Vital Statistics as training opportunity.
		9. Provide forms on diskette.	• Main land titles forms are now available to the public without charge in electronic format in both Word and WordPerfect format.
		10. Website review.	• Website links to all Canadian personal property registries completed. Establishing links to all provincial land titles offices underway. • Land titles forms available on diskette and for uploading to website. • Frequently asked questions being developed for uploading to website. • Website design nearing completion. Developmental account for updating existing site obtained. Upload expected early in first quarter FY2000/2001.
		11. Conduct client-impact meetings	• Assistant District Registrar Portage Land Titles hosted presentation to high school students. • Seventeen client focus groups meetings conducted for both Personal Property Registry and Land Titles Offices. • Joint Rural Development and District Registrars' Conference concerning tax sales held September 2, 1999.

Critical Success Factor	Objective	Goal	Office Results
Marketing, continued.	To diversify and enhance products and services.	11. Conduct client-impact meetings, continued.	• August 30, 1999 meeting of District Registrar Portage Land Titles Office and various government departments concerning road closure procedures. • Ongoing meetings with Real Property Subsection of the Manitoba Bar Association and Association of Manitoba Land Surveyors. • Ongoing committee work with Law Society and Manitoba Bar Association concerning conveyancing practices. • District Registrar Dauphin Land Titles Office providing on-site instruction for new online users. • District Registrar, Morden Land Titles Office conducted client meetings to discuss concerns and issues. • District Registrar Dauphin Land Titles Office conducted Continuing Legal Education Seminar for Dauphin/Swan River Bar Association on Commonly Encountered Conveyancing Concerns and Powers of Attorneys.
		12. Develop information brochures.	• Frequently asked questions developed. • Common conveyancing concerns information package developed.
			ADDITIONAL RESULTS: • Additional staff utilized between offices to assist in volume surges. • Implementation of province-wide land titles office deposit and condominium index, May 27, 1999. • In addition to ongoing conversion, 1730 additional titles converted in Portage Land Titles Office, and 400 pipeline titles in Morden Land Titles Office. • Morden Land Titles Office has initiated additional conversion of titles on the registration of a mortgage, caveat or discharge. • Participating in land related information review being conducted by Chief Information Officer's Office. • In addition to ongoing electronic conversion program, the Neepawa Land Titles Office has converted between 200 – 250 titles. • Brandon Land Titles Office conversion of 75% of Boissevain titles to electronic format. • Portage Land Titles Office updated plan atlas and property ownership maps from City and Municipality of Portage la Prairie.

Critical Success Factor	Objective	Goal	Office Results
Operations and Site	Management. To improve current facilities and reduce long-term costs.	13. Reduction of space requirements.	• Reduction of 14th Floor, 405 Broadway Surveys area of 68.93 square metres. • Savings of $11,716 annually. • Records management report on occupancy savings in the Portage Land Titles Office prepared. • Evaluation of records management on occupancy savings in Morden, Dauphin and Neepawa conducted.
		14. Records preservation.	• All current/active titles in Portage, Winnipeg and Brandon Land Titles Offices have been microfilmed. • All cancelled titles in Brandon and Portage Land Titles Offices have been microfilmed. • Completed title book consolidation (active/cancelled) and prepared titles in Winnipeg, Portage and Brandon Land Titles Offices for microfilming. • Backfill microfilming project commenced. • Centralized microfilming program commenced. • Commenced work on abstract book restoration project. • Pilot survey undertaken in Neepawa Land Titles Office to determine feasibility of storing documents, housed in the basement, off-site at the Records Centre, Department of Culture, Heritage and Citizenship. • All cancelled Certificates of Title in Dauphin Land Titles Office microfilmed. • All Old System abstract books forwarded from Dauphin Land Titles Office for photocopying. • Portage Land Titles Office commenced/ prepared documents for records transfer.

Critical Success Factor	Objective	Goal	Office Results
Finance.	To provide reliable performance reporting and ensure economic viability of operations.	15. Collection of fees.	• 0.9% increase in government fee recoveries including ISM search recoveries. • 4.8% increase in land transfer tax collected. • 3.1% decrease in Land Titles fee revenue. • .23% decrease in Personal Property Registry fee revenue. • 42% increase in revenue obtained from Land Titles Office collection of fees for Vital Statistics applications over last fiscal year.
		16. Pay $2,800.0 to Consolidated Revenue Fund.	• Payment of first quarter dividend of $700,000 made June 30, 1999. • Payment of second quarter dividend of $700,000 made September 30, 1999. • Payment of third quarter dividend of $700,000 made December 31, 1999. • Payment of $700.0 made March 23, 2000.
		17. Contribute to the development of quality financial systems development in government.	• Provide ongoing support in design of BSI common financial framework. • Provide funding for equipment required by POS Initiative to complete deployment.
		18. Maintain internal control system to ensure adherence to budget and performance standards.	• Clean audit opinion achieved for all completed fiscal year reports. • Budget targets for earnings met and exceeded.

Critical Success Factor	Objective	Goal	Office Results
Human Resources. Follow best private and public sector employment practices with staff involvement.	To promote staff involvement in corporate goals and planning to recognize such efforts.	19. Respond to employee satisfaction and needs survey.	• Human Resource Committee review and recommendations presented in March 2000. Staff presentations scheduled for mid April 2000/2001.
		20. Develop long-term training program.	• Cross training continued in all offices. • Inter-office training of staff conducted for staff at the Morden and Dauphin Land Titles Offices. • Desktop transitional training completed for all regional Land Titles Offices. • CPR refresher. • BSI/LTO extended sponsor team established and work plan developed for transition to new systems. • Assistant District Registrar Morden Land Titles Office enrolled in advanced supervisory training through George Heaton. • Commenced extensive management review of staff training needs as a result of anticipated secondments to BSI and succession planning. • A/Director of Operations seconded half time to coordinate staffing of BSI Land Project. • Land Titles Office Systems Analyst seconded full time to Survey Indices Project. • Additional three staff in Land Titles Office and one in Personal Property Registry seconded to Better Systems Initiative in second quarter. • Inter-office training of Deputy District Registrar of Winnipeg Land Titles Office at Portage Land Titles Office. • Inter-office training of Acting District Registrar from Morden Land Titles Office at Winnipeg Land Titles Office. • VersaCar training completed at Regional Land Titles Offices. • Internet training for 20 staff completed September 17 and 24, 1999. • Basic computer training conducted through Red River Community College Winkler campus for two Morden staff.

Critical Success Factor	Objective	Goal	Office Results
Human Resources, continued. Follow best private and public sector employment practices with staff involvement.	To promote staff involvement in corporate goals and planning to recognize such efforts.	20. Develop long-term training program, continued.	• POS training for bookkeepers conducted. • Assistant District Registrars' Conference hosted in Portage la Prairie, November 26, 1999. • District Registrars' Conference hosted in Winnipeg, October 15, 1999. • District Registrars of Morden and Dauphin attended mineral training workshop conducted by Brandon Land Titles Office. • Training conducted for automated microfilm retrieval system conducted in Winnipeg, Portage, Brandon and Morden Land Titles Offices. • Orientation to the electronic survey indices completed in all Land Titles Offices. • District Registrars and Registrar General attended Continuing Legal Education seminars on new Personal Property Security Act in Winnipeg and Brandon. Registrar of Personal Property Registry presentation of new Act as part of the Law Society's program. • Distribution of meeting notes and e-mail of policies and procedures initiated. • Three additional staff, two in Land Titles and one in Personal Property Registry seconded to Better Systems Initiative. • Dauphin Land Titles Office staff training in VersaCar Image microfilm retrieval system. • Brandon Land Titles Office staff training workshop on service quality partners. • Brandon Land Titles Office and Portage Land Titles Office staff training on accounting for POS+ system. • Five group training sessions for Document Examiners held in Winnipeg Land Titles Office in January and February, 2000. • Individual courses attended by Portage Land Titles Office Assistant District Registrar and Neepawa Land Titles Office District Registrar in human resource management. • Morden Land Titles Office in-house training of staff on general land titles office law and procedures.
			ADDITIONAL RESULTS: • Strategic planning review sessions held by Registrar General throughout agency in June 1999.

Critical Success Factor	Objective	Goal	Office Results
Information Technology.	To leverage information technology in meeting strategic operational goals and supporting corporate technology initiatives.	21. Design and implement first phase of reengineered Land Titles system.	• Ongoing. • Application scope document of Release 1 and 2 drafted. • Management review of staff training needs commenced. • Land Titles Office Release 2 build commenced. • Land Titles Office Release 3 scoping refinement ongoing.
		22. Redevelop Personal Property Registry system.	• Ongoing. • Final systems build underway. • Business transformation and integration of BSI common processes being worked on. • Imaging cost benefit analysis completed.
			ADDITIONAL RESULTS: • Project effort to date indicates a September 5, 2000 roll-out to public, representing the Province's first large-scale e-commerce system.
		23. Develop and implement point of sale system in rural Land Titles Offices and Personal Property Registry	• Plans to deploy have been completed. Installation in several offices delayed to subsequent quarters. • POS deployed in Winnipeg Land Titles Office June 1, 1999. • POS to be deployed in Personal Property Registry in June 22, 1999. • Held training/briefing session with all offices concerning pilot POS. • POS installed in Brandon Land Titles Office February 1, 2000 and in Portage Land Titles Office March 31, 2000.
		24. Complete automated survey indices.	• Survey index project incorporated as subproject into Release I and II of Land Project. • Application scope document completed. • System design commenced. • Data conversion strategy, specifications and survey index specifications developed. • Entry model for Phase 1, entry of card index information completed. • Six data entry terminals installed; testing of server under way. • Phase 1A: data entry of the card index information completed. • Phase 1B: access files converted to DB2 database and now available to all provincial departments via the intranet. • Phase 1C, public access to online survey index through the Internet implemented.

Critical Success Factor	Objective	Goal	Office Results
Information Technology, continued.	To leverage information technology in meeting strategic operational goals and supporting corporate technology initiatives.	25. Year 2000 remediation.	• Implementation of required program changes of Personal Property Registry mainframe completed. • No programs required to be changed in Land Titles Office mainframe. • Upgrade of AutoCad Release II to AutoCad 2000. • Printers in Personal Property Registry re-configured to controllers at The Property Registry to ensure functionality. • System preparation for staff to conduct Y2K testing during changeover completed.
			ADDITIONAL RESULTS: • SNA controllers connected to main TCP/IP backbone utilized by EDS Systemhouse managed environment. Savings of $500/month. • The Property Registry has participated in the land-related information systems review with representation through the Examiner of Surveys. The review has been completed and report forwarded to the Deputy Ministers' Committee on Land Initiatives. • The Property Registry continues to participate in the land-related information systems review. Inventory of land-related data has been competed. • Statistical Summary reports available online through Access on the Intranet. Winnipeg Land Titles Office, Brandon Land Titles Office, Morden Land Titles Office and Portage Land Titles Office online as of end of FY1999/2000. Dauphin Land Titles Office and Neepawa Land Titles Office expected to be online by mid April FY2000/2001.

Financial Report

Management's discussion and analysis is presented in three sections. The first section discusses the results of operations for the Registry. The second section analyzes our financial condition, including cash flow and capital expenditures.

The discussion and analysis are based on the financial statements, which are presented following this section of the annual report.

The forward-looking statements presented in this annual report are based on currently available competitive, financial and economic data and our operating plans. As future outcome cannot be determined with certainty, results may vary materially from our expectations.

FINANCIAL REPORT

RESULTS OF OPERATIONS

OVERVIEW

In its third year as a Special Operating Agency, The Property Registry generated earnings of $3.0 million, achieved through continuing high levels of revenue and improved productivity. Overall revenue levels increased slightly by 1.9%, and cash flows and liquidity resources were managed to levels that allowed continuing funding of new government initiatives and successful payment of a dividend to the Province for fiscal year 1999/2000. The better than expected financial results of fiscal year 1999/2000 will support the lower earnings projected for following fiscal year as we increase funding of government initiatives together with an increased dividend target of $4.5 million.

During fiscal year 1999/2000, The Property Registry transferred $14.9 million to the Province consisting of $12.1 million in land transfer tax and a dividend of $2.8 million. The Registry's retained earnings stood at $4.0 million on March 31, 2000, representing an increase of $0.2 million over the prior year.

REVENUES – FEE AND LAND TRANSFER TAX

The Property Registry posted total revenues of $25.1 million for the fiscal year ending March 31, 2000, rising by 1.9% from 1998/99 fiscal year revenues of $24.7 million. Total fee revenues of $13.1 million were down $0.1 million from the previous year. Land transfer tax revenues increased by 4.8% to $12.1 million (1999, $11.5 million) compared with prior year results. Modest declines in registration volumes have been partially offset by increased service volumes and cost recoveries. Interest income of $183,000 (1999, $179,400) was earned through investments.

Land Titles Office fee revenues declined 3.1% to $8.3 million compared with $8.6 million in the previous fiscal year. The Land Titles Office revenue consisted of $2 million from Transfer fees, $1.9 million in Mortgage fees, $2.4 million in other registration fees, and $2 million in service fees. Cost recoveries were $619,200 consisting of $280,600 in fee recoveries, and $338,600 in secondment salary recoveries.

Personal Property Registry fees remained at $3.8 million, the same as the previous fiscal year. Personal Property Registry fees consisted of $2.4 million in registration revenue and $1.4 million in service revenue. Cost recoveries were $140,500, derived from secondment salaries.

Total fee revenues for all Registry Offices declined slightly by 0.8% during fiscal year 1999/2000, with the largest decrease of 15.2% in the Brandon Land Titles Office ($139,100).

FINANCIAL REPORT

The Property Registry is responsible for collecting and administering the land transfer tax on behalf of the Province. Revenue collected is regularly transferred to the Consolidated Revenue Fund. Refunds for overpayment within the fiscal year are made from the Registry. Refunds of land transfer tax paid after the tax has been transferred to the Consolidated Revenue Fund are disbursed directly from the Fund.

Overall, land transfer tax revenues increased 4.8% to $12.1 million with the largest rate of increase occurring in the Morden Land Titles Office (62%, $237,500), and Neepawa Land Titles Office (75%, $22,400). All other changes were under 10%. In terms of dollar value, the $312,400, or 3.2% increase in land transfer tax revenues at the Winnipeg Land Titles Office represents 56% of the $558,000 in total increase in land transfer tax for the fiscal year 1999/2000.

SALARIES AND BENEFITS EXPENSE

Salaries and benefits for fiscal year 1999/2000 were $7.5 million (1999, $6.7 million), rising over the previous year, primarily due to costs for staff seconded to various government systems initiatives and a $282,000 adjustment to pension expenses triggered by a change in pension estimates from the Department of Finance. Included in these costs are estimated pension liabilities of $560,800 (1999, $303,300). For fiscal year 1998/99, salaries and benefits represented 57.7% (1999, 51.2%) of fee revenues and 30% (1999, 27.3%) of total revenues.

The Property Registry was able to accommodate the continuing high revenue levels of Fiscal Year 1999/2000 without having to increase regular staffing, despite the numerous secondments and significant involvement of its most experienced staff in contributing to central government initiatives such as Better Systems, Better Methods, Point of Service, Year 2000 and Desktop Management. In addition, additional experienced staff was temporarily deployed to the expanding effort to contribute to the new Personal Property Registry development.

Permanent salaries increased 2.8% to $5.3 million from $5.1 million in line with general salary increases, while term staff salaries increased by $72,600 being offset by $527,800 in backfill secondment salary recoveries.

For FY1999/2000 and subsequent fiscal years, the Registry has been directed to record liability for severance costs, partly with the use of estimated probabilities supplied by the Comptroller of the Department of Finance. As of April 1, 1998 the estimated total liability is $1,041,427. The Registry's calculations estimate the liability increase to be $65,000 for the FY1999/2000 fiscal year (1999, $70,800). Liabilities for staff aged 55 and over have been included with current liabilities as such staff may trigger such severance liabilities for the Registry at their discretion. This is offset by a permanent receivable similar to the Vacation liability receivable against the Department of Finance. Accordingly, the receivable is not considered as a current asset in the Balance Sheet. As the liability would be satisfied through SOA funds, no provision for a "pension-type" investment account has been established.

Pension expense, which is disclosed as a separate line in the financial statements, increased 85% to $560,800 from $303,300 in the previous fiscal year due to a change in pension estimates supplied by the Department of Finance.

The Department of Finance is expected to continue to undertake periodic actuarial valuation of the pension liability. Any adjustment is expected to be prospective (rather than retroactive), without regard to the liability attributable to pre-SOA operations. It is therefore important for SOA's such as The Property Registry to have sufficient funds on hand to satisfy a potentially large liability, given the large numbers of long serving regular staff.

OPERATING EXPENSES

Operating expenses of $2.4 million (1999, $2.1 million) were higher by 17.7% compared with the previous year primarily due to large new expenditures, including Desktop Services ($229,000), and the Records Preservation Project ($147,000). Accordingly, operating expenses as a percentage of total revenues increased to 9.6% in fiscal year 1999/2000 (1999, 8.3%).

All of the Agency's offices are located in government-owned facilities in accordance with a memorandum of understanding document. Accordingly, the $731,000 (1999, $746,800) in occupancy costs was paid entirely to the Department of Government Services. Computer processing expenses of $362,000 (1999,$293,300) were paid to ISM Corporation for the outsourced computer host system that carries our automated Land Titles Office and Personal Property Registry systems. These costs are expected to remain stable in subsequent years as all regional Land Titles Offices have now been converted from paper to the electronic land titles system. Deferral of Special Surveys expenses resulted in $42,000 saving for 1999/2000.

AMORTIZATION EXPENSES

Amortization expenses of $80,000 (1999, $94,000) were lower than the previous fiscal year with the deferral of Personal Property Registry renovation related to deployment of the new system developed under the Better Systems Initiative.

FINANCIAL REPORT

FINANCIAL CONDITION

FINANCIAL POSITION

The Property Registry's financial condition remained very strong at the end of its third year as a Special Operating Agency, with total cash and short-term investments at $4.3 million as of March 31, 2000 (1999, $3.8 million). The agency operations generated $3.5 million (1999, $4.1 million) in cash flow during fiscal year 1999/2000 as a result of a continuing record level of activity for the year. At March 31, 2000, the agency held $4.2 million (1999, $3.4 million) in working capital, and working capital ratio increased to 2.8 to 1.

Interest income of $183.0 (1999, $179.4) was generated from investments made during the year with the Treasury Division of the Department of Finance. These investments consist of short-term notes (90 days to one-year terms) at prevailing market rates, and are considered close to risk-free as they are guaranteed by the Department of Finance.

CAPITAL EXPENDITURES

A contributing factor to higher cash flows was the agency's decision to defer deployment of a new computer system for The Personal Property Registry pending the outcome of the Better Systems Initiative. The Initiative project scope for next year includes deployment of The Personal Property Registry computer system.

Capital asset acquisitions amounted to $159,000 (1999, $188,000) during the year, primarily for equipment to support the records preservation project and equipment refurbishment throughout the registry.

MANAGEMENT'S REPORT

To the Special Operating Agencies Financing Authority

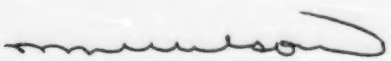
The accompanying financial statements and the information in the Annual Report are the responsibility of the management of The Property Registry. The financial statements have been prepared in accordance with generally accepted accountin principles and include amounts that are based on management's best estimates and judgements.

In support of its responsibility, management has developed and maintains a system of internal controls designed to provide reasonable assurance that transactions are authorized, financial reporting is reliable, and that assets are safeguarded.

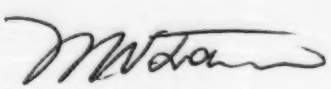
The Advisory Board meets regularly with management to review accounting practices, financial reporting and to discuss audit results. The auditors have free and full access to this Board, if required, to discuss the results of their audit and their views on the adequacy of internal controls and the quality of financial reporting.

The financial statements have been audited by our external auditors, Grant Thornton, who report to the Special Operating Agencies Financing Authority.

On behalf of Management,



Richard M. Wilson, B.A., LL.B.
Registrar General and
Chief Operating Officer



Marcel V. Joaquin, Jr., CMA
Director
Finance and Systems

Grant Thornton LLP
Chartered Accountants
Management Consultants
Canadian Member Firm of
Grant Thornton International

Grant Thornton

Auditors' Report

To the Special Operating Agencies Financing Authority

We have audited the balance sheet of The Property Registry, an Agency of the Special Operating Agencies Financing Authority, Province of Manitoba as at March 31, 2000 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Grant Thornton LLP

Winnipeg, Canada
June 2, 2000

Chartered Accountants

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The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Balance Sheet

(In Thousands)

March 31	2000	1999
Assets		
Current		
Cash and short term investments	$ 4,335	$ 3,760
Customer deposits	1,122	923
Pension investment account	916	605
Accounts receivable (Note 3)	98	260
Prepaid expenses	49	57
	6,520	5,605
Due from Province of Manitoba (Note 4)	1,587	1,587
Capital assets, net of accumulated amortization (Notes 2 and 5)	264	185
	$ 8,371	$ 7,377
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 911	$ 982
Deferred revenue	1,122	926
Land titles assurance fund (Note 6)	66	43
Severance payable (Note 7)	214	254
	2,313	2,205
Accrued pension costs (Note 7)	1,198	605
Long-term severance payable (Note 7)	867	808
	4,378	3,618
Equity		
Retained earnings	3,993	3,759
	$ 8,371	$ 7,377

Commitments (Note 8)

See accompanying notes to the financial statements.

The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Statements of Earnings and Retained Earnings

(In Thousands)

Year Ended March 31	2000	1999
Revenues		
Land transfer tax (Note 9)	$ 12,071	$ 11,513
Fee revenue - Land Titles	8,312	8,576
Fee revenue - Personal Property Registry	3,772	3,781
Cost recoveries (Note 2)	809	641
Interest income	183	179
	25,147	24,690
Less: tax revenues transferred to Province	(12,071)	(11,513)
	13,076	13,177
Expenses		
Salaries and employee benefits	7,548	6,748
Operating expenses (Schedule 1)	2,414	2,051
Amortization	80	94
Loss on disposal of capital assets		75
	10,042	8,968
Net earnings	$ 3,034	$ 4,209
Retained earnings, beginning of year	$ 3,759	$ 3,100
Net earnings	3,034	4,209
Net earnings paid to the Province of Manitoba	(2,800)	(3,550)
Retained earnings, end of year	$ 3,993	$ 3,759

See accompanying notes to the financial statements.

The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Statement of Cash Flows

(In Thousands)

Year Ended March 31	2000	1999
Increase (decrease) in cash and cash equivalents		
Cash flows from (used in) operating activities		
Net earnings	$ 3,034	$ 4,209
Amortization	80	94
Loss on disposal of capital assets		75
	3,114	4,378
Changes in non-cash operating working capital		
Pension investment account	(311)	(605)
Customer deposits	(199)	17
Accounts receivable	162	(107)
Prepaid expenses	8	(1)
Accounts payable and accrued liabilities	(71)	116
Deferred revenue	196	(15)
Accrued pension costs	593	311
Land titles assurance fund deposits	23	(24)
Severance payable – current portion	(40)	(27)
Severance payable – long term portion	59	47
	3,534	4,090
Cash flows from (used in) investing activities		
Purchase of capital assets	(159)	(188)
Cash flows from (used in) financing activities		
Net earnings paid to the Province of Manitoba	(2,800)	(3,550)
Net increase in cash and cash equivalents	575	352
Cash and cash equivalents		
Beginning of year	3,760	3,408
End of year	$ 4,335	$ 3,760

See accompanying notes to the financial statements.

The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Notes to the Financial Statements

(In Thousands)
March 31, 2000

1. Nature of organization

Effective April 1, 1997, the Lieutenant Governor in Council designated The Property Registry as a Special Operating Agency under The Special Operating Agencies Financing Authority Act. The order also directed the Special Operating Agencies Financing Authority (SOAFA) and the Minister of Consumer and Corporate Affairs to enter into a management agreement with respect to The Property Registry. The Property Registry was established to operate the Land Titles and Personal Property Registry offices on a self-sustaining financial basis while providing a standard of service that will meet the needs of its clients.

The Property Registry continues to be a part of the Department of Consumer and Corporate Affairs under the general direction of the Deputy Minister of Consumer and Corporate Affairs, who is also Chairperson of The Property Registry's Advisory Board. The Property Registry remains bound by relevant legislation, regulation and administrative policy as specified in its operating charter.

The Property Registry's financial contribution to the Province of Manitoba is included in the Manitoba Estimates of Revenue - Crown Corporations/Entities.

2. Summary of significant accounting policies

Basis of reporting

The financial statements have been prepared in accordance with generally accepted accounting principles applied on an accrual basis.

Capital assets

Capital assets are recorded at cost and amortization is computed using the straight-line method based on remaining estimated useful lives, after allowance for salvage value, where applicable. Capital assets transferred to The Property Registry at April 1, 1997 each have estimated remaining useful lives of up to five years and were valued at their remaining unamortized capital cost at that date, which represents the acquisition cost for The Property Registry. Therefore, the effective rate of amortization for those older capital assets may exceed the annual rates noted below:

Computer system	20% (10% in year of acquisition)
Office equipment	20%
Leasehold improvements	20%

The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Notes to the Financial Statements

(In Thousands)
March 31, 2000

2. Summary of significant accounting policies - continued

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Cost recoveries and fee waiver

Included in revenues are recoveries of costs for Land Titles Office services provided to other provincial government offices where no statutory provision precludes cost recovery. No similar recoveries of costs are currently collected for services provided by the Personal Property Registry.

3. Accounts receivable

The following items are included in accounts receivable:

	2000	1999
Trade receivable	$ 76	$ 81
Receivable from government and departments	22	179
	$ 98	$ 260

4. Due from Province of Manitoba

This receivable represents the vacation entitlements earned prior to the creation of the Special Operating Agency, and severance costs earned by staff to March 31, 1998. These amounts are expected to remain fixed. The Property Registry is responsible for changes in the vacation liability from April 1, 1997, and the severance liability from April 1, 1998.

The following items are included in due from Province of Manitoba:

	2000	1999
Funding for vacation payable as at April 1, 1997	$ 546	$ 546
Funding for severance payable as at April 1, 1998	1,041	1,041
	$ 1,587	$ 1,587

The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Notes to the Financial Statements

(In Thousands)
March 31, 2000

5. Capital assets

	Cost	Accumulated Amortization	2000 Net Book Value	1999 Net Book Value
Computer system	$ 43	$ 17	$ 26	$ 25
Office equipment	293	103	190	96
Leasehold improvements	80	32	48	64
	$ 416	$ 152	$ 264	$ 185

6. Land titles assurance fund

Claims for loss as provided for in The Real Property Act are paid from this fund. The Agency's Land Titles Branch is responsible for the collection of deposits and the defense against claims on this fund. Claims in excess of the fund balance are paid out of the Consolidated Revenue Fund.

7. Employee pension and severance pay benefits

Employees of The Property Registry are eligible for pension benefits in accordance with the provisions of The Civil Service Superannuation Act. In accordance with an agreement with the Province of Manitoba, Special Operating Agencies (SOA's) are only responsible for the pension liability incurred for their employees from the date of designation as an SOA which is April 1, 1997. The methodology for calculating the liability has been determined in conjunction with the Province, which accepts responsibility for pension liability for prior service, as well as for any variance resulting from the calculation

	2000	1999
Present value of accumulated pension obligations as at March 31	$ 1,198	$ 605

Effective April 1, 1998, the Agency is recording accumulated severance pay benefits for its employees. Severance pay is determined by multiplying years of service, to a maximum of fifteen years, by the weekly salary at date of retirement, provided the employee reaches nine years of service and retires from the Agency. The estimate is based upon the method of calculation set by the Province of Manitoba

The Province has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 31, 1998. Accordingly the opening severance pay liability balance as at April 1, 1998 of $1,041 was completely offset by a receivable from the Province. There are no terms of repayment for this receivable, and the amount will remain fixed at $1,041.

The Property Registry
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Notes to the Financial Statements

(In Thousands)
March 31, 2000

8. Commitments

The Agency has entered into a Memorandum of Understanding with Manitoba Government Services (MGS) to lease its premises. The accommodation charges are established annually by MGS, and are based on its approved budget.

The Agency has also entered into agreements to lease equipment. These agreements carry various terms and conditions.

The estimated minimum lease payments for the premises and equipment in aggregate for each of the next five years are as follows:

	Premises	Equipment	Total
2001	$ 730	$ 107	$ 837
2002	745	109	854
2003	760	111	871
2004	775	114	889
2005	791	116	907
	$ 3,801	$ 557	$ 4,358

9. Land transfer tax

Land transfer tax is administered and collected by The Property Registry. Tax collected less refunds issued is remitted to the Consolidated Revenue Fund of the Province of Manitoba. Adjustments and refunds of land transfer tax are paid out of Department of Finance under the advice of the Registrar General

The Property Registry — Schedule 1
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Operating Expenses

(In Thousands)
Year Ended March 31,

	2000	1999
Computer processing	$ 369	$ 298
Department services	99	122
Desktop services	229	28
Equipment lease	105	113
Interest and bank charges	9	8
Occupancy costs	731	747
Office supplies and printing	173	154
Postage and delivery	171	170
Professional fees	42	29
Publications and subscriptions	28	25
Records preservation project	147	
Repairs and maintenance	79	69
Special surveys	5	47
Sundry	4	6
Survey remonumentation program	91	87
Telephone	73	75
Training and staff development	15	14
Travel	44	59
	$ 2,414	$ 2,051

The Property Registry — Schedule 2
An Agency of the Special Operating Agencies Financing Authority - Province of Manitoba
Public Sector Compensation Disclosure

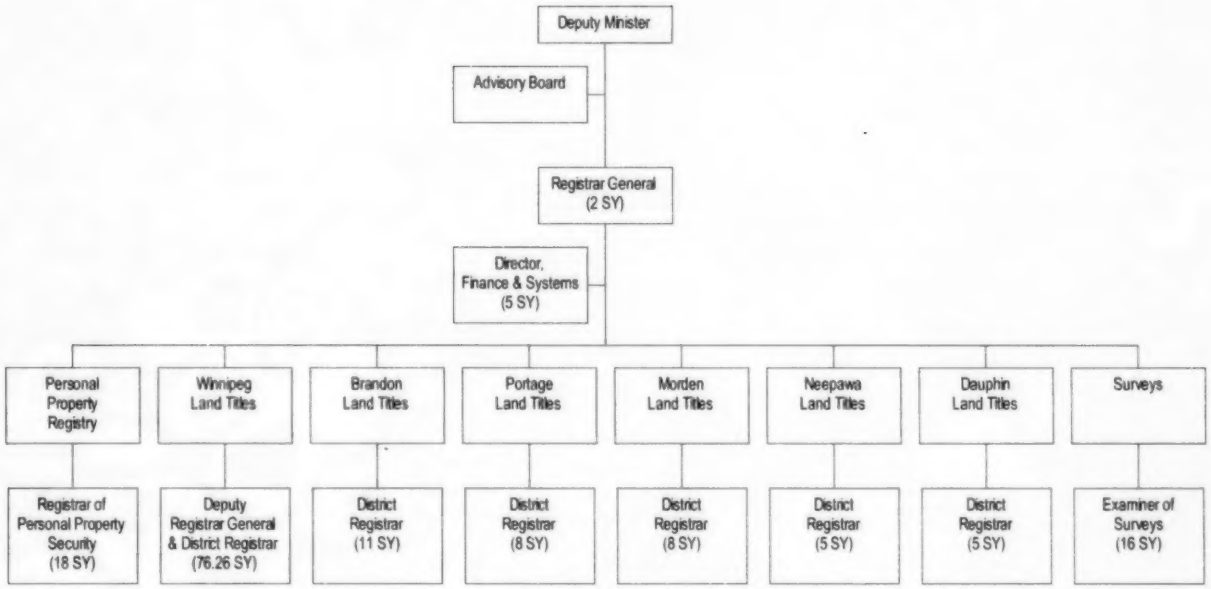
(In Thousands)
Year Ended March 31, 2000

The Public Sector Compensation Disclosure Act requires all publicly funded bodies to disclose compensation to any employee or board member when such compensation exceeds $50,000 per annum. This information is as follows:

Employee	Position	2000	1999
Cavers, H. G.	Admin. Officer 3	$ 55	$ 51
Crockatt, D.	Professional Officer 8	61	59
Davidson, R. E.	Legal Counsel 2	68	58
Effler, B. C.	Sr. Legal Officer 2	83	78
Fraser, G. R. S.	Sr. Manager 1	74	71
Grewal, J. S.	Legal Counsel 3	80	77
Joaquin, M.	Professional Officer 6	56	54
Johnston, B. G.	Legal Counsel 1	55	
Kushniruk, J.	Legal Counsel 3	80	77
Lillie, G.	Legal Counsel 2	60	
Lund, G. A.	Professional Officer 8	62	59
Patel, V. M.	Legal Counsel 3		77
Schoen, F. N.	Legal Counsel 3	80	77
Sims, E.	Legal Counsel 2	66	61
Wilson, R. M.	Sr. Legal Officer 3	86	83

THE PROPERTY REGISTRY
MANITOBA CONSUMER AND CORPORATE AFFAIRS

Organizational Chart
(SY = Staff Years)



* Summer term: 2.26 SY

Agency Governance

Honourable Ron Lemieux, Minister, Manitoba Consumer and Corporate Affairs

M. Alexandra Morton, Q.C., Deputy Minister, Manitoba Consumer and Corporate Affairs

The Property Registry Advisory Board

Richard M. Wilson, Registrar General and Chief Operating Officer

Agency Senior Management Committee

Richard M. Wilson	Registrar General and Chief Operating Officer
Barry C. Effler	Deputy Registrar General and District Registrar, Winnipeg Land Titles Office
Gary R. Fraser	Examiner of Surveys
David A. Crockatt	Registrar, Personal Property Registry
Marcel V. Joaquin, Jr.	Director, Finance and Systems

District Registrars

Jasdev Grewal	Brandon Land Titles Office
John Kushniruk	Portage la Prairie Land Titles Office
Gordon Lillie	Morden Land Titles Office
Elizabeth Sims	Neepawa Land Titles Office
Blair Johnston	Dauphin Land Titles Office

AGENCY OFFICES

The Property Registry Administration
1405 - 405 Broadway
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2632
Fax (204) 948-3276
www.gov.mb.ca/cca/landtitl.html

Winnipeg Land Titles Office
LL 25 - 405 Broadway
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2042
Fax: (204) 948-2140

Surveys Branch
LL 35 - 405 Broadway
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2285
Fax: (204) 945-2823

Personal Property Registry
1505 - 405 Broadway
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-3123
Fax: (204) 948-2492
www.gov.mb.ca/cca/personp.html

Brandon Land Titles Office
705 Princess Street
Brandon, Manitoba R7A 0P4
Telephone: (204) 726-6279
Fax: (204) 726-6553

Dauphin Land Titles Office
308 Main Street South
Dauphin, Manitoba R7N 1K7
Telephone: (204) 622-2084
Fax: (204) 638-0881

Morden Land Titles Office
351 Stephen Street
Morden, Manitoba R6M 1V1
Telephone: (204) 822-4436
Fax: (204) 822-1988

Portage la Prairie Land Titles Office
25 Tupper Street North
Portage la Prairie, Manitoba R1N K1
Telephone: (204) 239-3306
Fax: (204) 239-3615

Neepawa Land Titles Office
329 Hamilton Street
Neepawa, Manitoba R0J 1H0
Telephone: (204) 476-2106
Fax: (204) 476-215